



General Assembly

January Session, 2019

Amendment

LCO No. 10292



Offered by:

REP. MORIN, 28th Dist.
REP. STEINBERG, 136th Dist.
REP. LEMAR, 96th Dist.
REP. GRESKO, 121st Dist.
REP. O'DEA, 125th Dist.
REP. FLOREN, 149th Dist.
REP. DELNICKI, 14th Dist.
REP. WOOD, 29th Dist.
REP. BARRY, 31st Dist.
REP. MICHEL, 146th Dist.
REP. HADDAD, 54th Dist.

REP. TURCO, 27th Dist.
REP. ARNONE, 58th Dist.
REP. YOUNG, 120th Dist.
REP. NAPOLI, 73rd Dist.
REP. HUGHES, 135th Dist.
REP. PAOLILLO, 97th Dist.
REP. HALL, 7th Dist.
REP. LUXENBERG, 12th Dist.
REP. HENNESSY, 127th Dist.
REP. GUCKER, 138th Dist.
REP. GILCHREST, 18th Dist.

To: Subst. House Bill No. 7155

File No. 344

Cal. No. 222

"AN ACT CONCERNING CONSUMER PROTECTIONS FOR CUSTOMERS OF ELECTRIC SUPPLIERS."

1 Strike section 5 in its entirety and renumber the remaining sections
2 and internal references accordingly

3 After the last section, add the following and renumber sections and
4 internal references accordingly:

5 "Sec. 501. (NEW) (*Effective October 1, 2019*) (a) For purposes of this
6 section:

- 7 (1) "Billing agent" means an electric supplier that has obtained a
8 billing agent license and has entered into a contract with a subscriber
9 to receive such subscriber's electric distribution company bill;
- 10 (2) "Billing agent license" means the license that an electric supplier
11 may apply for and obtain pursuant to subsection (b) of this section;
- 12 (3) "Billing agent services" means the services a billing agent agrees
13 to provide to a subscriber in a contract, including, but not limited to,
14 the billing agent receiving such subscriber's electric distribution
15 company bill and the billing agent remitting payment for the charges
16 on such bill to the electric distribution company;
- 17 (4) "Billing credit" means a credit in dollars equal to the retail cost
18 per kilowatt hour a subscriber may have otherwise been charged for
19 each kilowatt hour produced by a shared energy merchant facility;
- 20 (5) "Class I renewable energy source" has the same meaning as
21 provided in section 16-1 of the general statutes, as amended by this act;
- 22 (6) "Electric distribution company" has the same meaning as
23 provided in section 16-1 of the general statutes, as amended by this act;
- 24 (7) "Electric supplier" has the same meaning as provided in section
25 16-1 of the general statutes, as amended by this act;
- 26 (8) "Energy storage system" has the same meaning as provided in
27 section 16-1 of the general statutes, as amended by this act;
- 28 (9) "Shared energy merchant facility" means (A) a Class I renewable
29 energy source that is located in the state, or (B) an energy storage
30 system that is located in the state and that either (i) stores energy
31 generated by a Class I renewable energy source, or (ii) purchases and
32 retires certificates produced by a generating unit from wind power or
33 solar power that is located in the United States, as defined in section
34 16-1 of the general statutes, as amended by this act, in an amount
35 equivalent to all energy dispatched by such energy storage system;

36 (10) "State beneficial account" means an electric distribution
37 company customer account designated by the Commissioner of
38 Administrative Services to receive the billing credit described in
39 subdivision (2) of subsection (e) of this section;

40 (11) "Subscriber" has the same meaning as provided in section 16-
41 244x of the general statutes; and

42 (12) "Subscription" means a beneficial use of a shared energy
43 merchant facility, including, but not limited to, (A) a percentage
44 interest in the total amount of electricity produced by such facility, (B)
45 a set amount of electricity produced by such facility, or (C) the total
46 electricity requirements of the subscriber that holds the subscription.

47 (b) On or before September 1, 2019, the Public Utilities Regulatory
48 Authority shall initiate a docket to develop a process for issuing
49 licenses to electric suppliers to be billing agents. Such docket shall
50 include the creation of an application form for such billing agent
51 licenses, provided, (1) the authority may not issue a billing agent
52 license to an electric supplier unless the authority determines that the
53 electric supplier has the technical, managerial and financial capacity to
54 provide billing agent services, and (2) before issuing a billing agent
55 license to an electric supplier, the authority may require the electric
56 supplier to provide and maintain a bond or other security in the
57 amount of five hundred thousand dollars to ensure the electric
58 supplier's financial responsibility for the billing agent services. The
59 authority shall issue a final decision on such docket on or before March
60 1, 2020.

61 (c) An electric supplier that obtains a billing agent license pursuant
62 to this section may (1) own and operate one or more shared energy
63 merchant facilities, or (2) contract with a third-party entity to build,
64 own or operate one or more shared energy merchant facilities. Such
65 electric supplier may enter into contracts with subscribers for each
66 subscriber to (A) purchase subscriptions to such shared energy
67 merchant facility, and (B) assign such electric supplier to be such

68 subscriber's billing agent. If a subscriber assigns an electric supplier to
69 be such subscriber's billing agent, such electric supplier shall notify the
70 electric distribution company where such subscriber is a customer.

71 (d) Each electric distribution company shall provide billing credits
72 to its customers pursuant to this section. A billing agent shall notify an
73 electric distribution company of the value, in dollars, of a subscriber's
74 subscription, and such billing credit shall be applied against the
75 subscriber's customer account with the electric distribution company.

76 (e) (1) During the period commencing on the first day of commercial
77 operation of a shared energy merchant facility and ending after five
78 years, a billing credit equal to ten per cent of the energy generated or
79 dispatched by such shared energy merchant facility shall be assigned
80 to a state beneficial account in accordance with subdivision (2) of this
81 subsection, provided if no designation has been made pursuant to
82 subdivision (2) of this subsection, such credit shall not be assigned.

83 (2) The Commissioner of Administrative Services, in consultation
84 with the Commissioner of Economic and Community Development,
85 shall designate an electric distribution company customer account to
86 receive the billing credit described in subdivision (1) of this subsection.
87 The Commissioner of Administrative Services may change the
88 designated electric distribution company customer account, provided
89 said commissioner shall provide notice of such change to the shared
90 energy merchant facility at least thirty days before such change shall
91 take effect.

92 (f) No electric supplier or billing agent that sells subscriptions for a
93 shared energy merchant facility may market such subscriptions using
94 door-to-door marketing or telemarketing solicitation for the initial sale
95 of such subscription to a residential customer.

96 (g) An electric distribution company may recover its costs and
97 investments that have been prudently incurred and its estimated
98 revenues lost, as determined by the Public Utilities Regulatory
99 Authority, from implementing the provisions of this section. The

100 Public Utilities Regulatory Authority shall, after a hearing held
101 pursuant to the provisions of chapter 54 of the general statutes,
102 determine the appropriate mechanism to obtain such recovery in a
103 timely manner which mechanism may be one or more of the following:
104 (1) Approval of rates as provided in sections 16-19 and 16-19e of the
105 general statutes; (2) the energy adjustment clause as provided in
106 section 16-19b of the general statutes; or (3) the federally mandated
107 congestion charges, as defined in section 16-1 of the general statutes, as
108 amended by this act."

This act shall take effect as follows and shall amend the following sections:

Sec. 501	<i>October 1, 2019</i>	New section
----------	------------------------	-------------